

FISCAL NOTE

HB 593

March 29, 2007

SUMMARY OF BILL: Requires every public employer and subcontractor to register and participate in the federal work authorization program to verify information of all new employees. The Department of Labor and Workforce Development shall promulgate rules and regulations to ensure compliance. Requires the Department of Transportation (TDOT) to promulgate rules and regulations relative to contracts for public transportation. Creates the felony offenses of labor servitude and sexual servitude. Directs the Governor to designate local police officers to enforce federal immigration and customs laws. Prohibits the delivery of public benefits to illegal immigrants under certain circumstances. Requires the Secretary of State to monitor the Systematic Alien Verification for Entitlements (SAVE) program and its verification application errors and significant delays and shall report such to the Governor and to the Speakers of the Senate and House of Representatives on an annual basis.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,870,900 Recurring
\$140,000 One-Time
\$52,700 Incarceration*

Increase Local Govt. Expenditures – Exceeds \$1,000,000**

Assumptions:

- The Department of Labor and Workforce Development will need to create a new section that will require eighteen additional positions to ensure compliance.
- TDOT will need to make computer system changes relative to the administration of contracts for public transportation.
- The Secretary of State will need to create a new section that will require three additional positions to monitor the SAVE program.
- The Department of Health would have to require verification of immigration status for some primary patients seen in local health departments. This could have a highly adverse impact on public health services if a person leaves without proper medical care.
- Fear of being reported to immigration authorities, even though the person is eligible to receive other health care services, could result in an

impact on department programs such as TB, HIV/AIDS, STD, Prenatal Care, Family Planning and Immunization Services.

- Possible increase in TB, STD, HIV/AIDS diseases affecting the wider population, not just illegal immigrants.
- The new offenses can be prosecuted under current law. Although the bill does not preclude prosecution for an existing offense as well as the new offense, the existing offenses will be subsumed as lesser included offenses under the new offense.
- According to the Department of Correction (DOC), the average operating cost per inmate per day for calendar year 2007 is \$60.16.
- One offender will serve an additional 0.3 years (an increase from 0.3 years for a Class E felony offense to 0.6 years for a Class D felony offense). The cost per inmate at 0.3 years is \$6,592.33 (\$60.16 x 109.58 days). The cost per inmate at 0.6 years is \$13,184.06 (\$60.16 x 219.15). The additional cost from increasing the average sentence length from 0.3 years to 0.6 years is \$6,591.73 (\$13,184.06 - \$6,592.33).
- One offender will serve an additional 2.1 years (an increase from 0.3 for a Class E felony to 2.4 years for a Class B felony offense). The cost per inmate at 0.3 years is \$6,592.33 (\$60.16 x 109.58 days). The cost per inmate at 2.4 years is \$52,736.26 (\$60.16 x 876.6 days). The additional cost from increasing the average sentence length from 0.3 years to 2.4 years is \$46,143.93 (\$52,736.26 - \$6,592.33).
- Based upon information obtained from the Nashville-Davidson County Sheriff's Office, which currently has an agreement to enforce federal immigration and customs laws, the increase costs to local governments will exceed \$1,000,000 statewide.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

***Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director